



# Newsletter Consumer Price Index (CPI) January 2020



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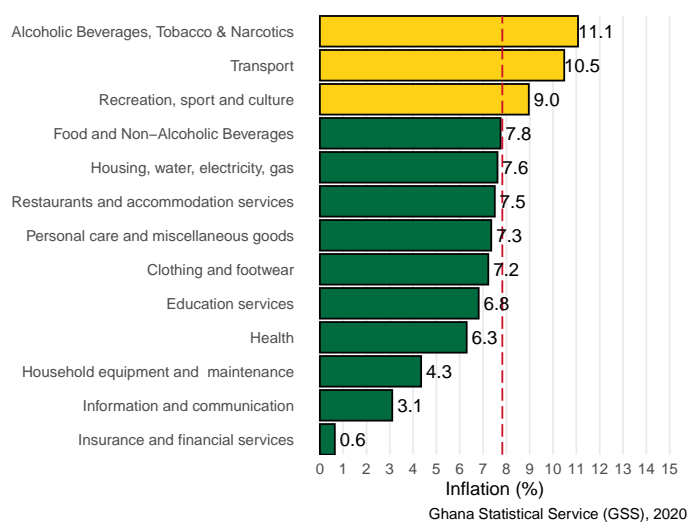
## Summary

- National year-on-year inflation from January 2019 to January 2020 was 7.8%.
- Food and Non-alcoholic beverages inflation and average Non-food inflation were both 7.8%.
- Inflation is still predominantly driven by Food, Transportation, and Housing.
- Inflation was between 10.0% in Central Region and 5.6% in the Ashanti Region.
- Inflation of imported goods was 5.8%, while the inflation of local goods was 8.7% on average.

## CPI

The Consumer Price Index (CPI) measures proportionate changes in the prices of a fixed basket of goods and services that households in Ghana consume. This index is then referenced to the price level in 2018, the base year, which has an index of 100. Relative changes in this index can be expressed as inflation (see Table 1).

## January 2020 Inflation

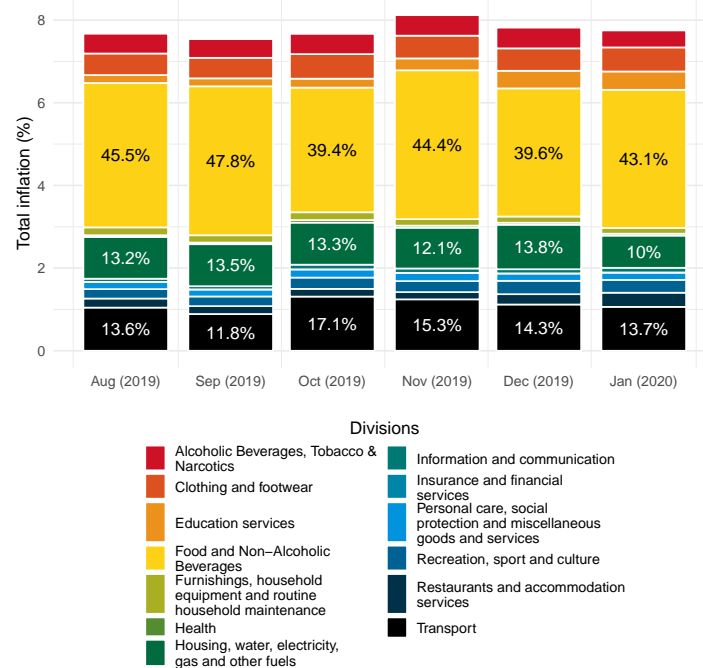


**Figure 1:** Year-on-year inflation January 2020, by Division. Inflation was highest for the 'Alcoholic beverages, tobacco & narcotics,' 'Transport,' and 'Housing, water, electricity & gas' Divisions.

The national year-on-year inflation rate was 7.8% in January 2020, .1 percentage points lower than the 7.9% recorded in December 2019. Month-on-month inflation between December 2019 and January 2020 was 1.4%. Alcoholic Beverages, Tobacco & Narcotics (11.1%), Transport (10.5%), and Recreation (9.0%) were the Divisions with the highest rates of inflation (see Figure 1). Due to its relative importance in consumption, Food is still the main driver of inflation in Ghana, but less than last month (see Figure 2).

**Table 1:** Consumer Price Indices Aug 2019 to Jan 2020.

Month	CPI (2018 = 100)	Change (inflation %)	
		Monthly	Yearly
Aug - 2019	108.6	-	7.8
Sep - 2019	108.6	0.0	7.5
Oct - 2019	109.1	0.5	7.8
Nov - 2019	110.1	0.9	8.5
Dec - 2019	110.0	0.0	7.9
Jan - 2020	111.6	1.4	7.8



**Figure 2:** Composition of year-on-year inflation over the last five months. The contribution of Housing decreased, while the contribution of Food increased again. Total inflation did not differ much month-on-month in the last months.

# Food and Non-food Inflation

The Food and Non-alcoholic beverages Division recorded a year-on-year inflation rate of 7.8%. This is .5 percentage points higher than what was recorded in December 2019 (7.3%). National Non-food year-on-year inflation for January 2020 was 7.8%, lower than the 8.4% recorded in December 2019. Between December 2019 and January 2020 the price level of Food and Non-alcoholic beverages increased by 2.3%. This rise is predominantly driven by an increase in price levels of Vegetables and Fish (see Figure 3), two subclasses that decreased between November and December 2019. Non-food Subclasses with the highest year-on-year inflation include: Other transport services (28.7%), Postal and courier services (25%), and Garden products (23.4%). Education (not defined by level) (-8.1%), Electric appliances for personal care (-5.9%), Cars (-4.2%), Sports equipment (-1.5%), and Electricity (-.9 %) had negative year-on-year inflation rates.

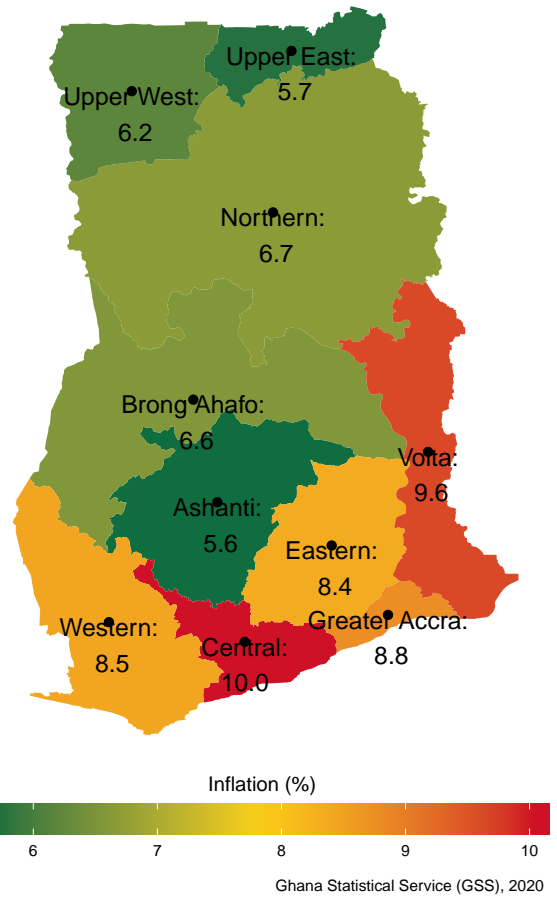


Figure 4: Year-on-year, January 2020 inflation per region.

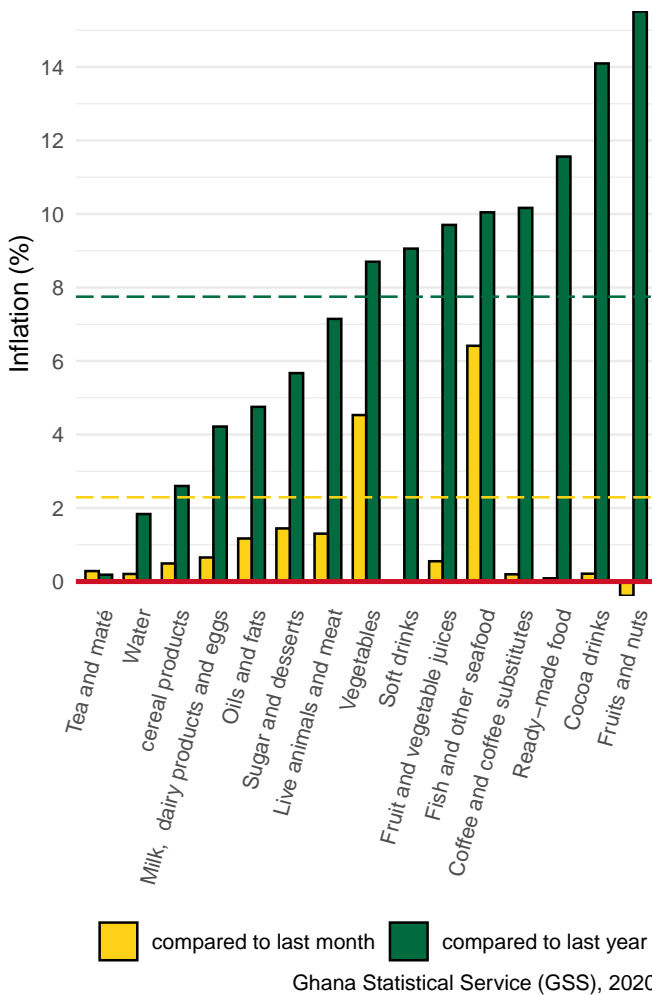


Figure 3: Year-on-year and month-on-month Food Subclass inflation, January 2020.

# Imported and Local Inflation

Inflation of imported goods was 5.8%, while the inflation of local goods was 8.7% on average (See Figure 5). Month-on-month inflation for imported goods was .6%, while month-on-month inflation for local goods was 1.8%.

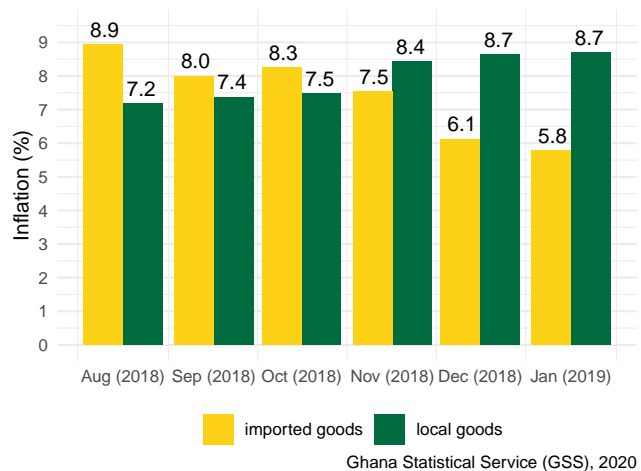


Figure 5: Comparing inflation of locally produced goods and imported goods over the last 5 months.

# Regional Inflation

At the regional level, the year-on-year inflation ranged from 5.7% in Upper East Region to 10.1% in Central Region (see Figure 4).

# More Information

Visit the GSS website ([www.statsghana.gov.gh](http://www.statsghana.gov.gh)) for further information and detailed annexes or contact: Mr. John F.K. Agyaho (Head, Price Statistics, GSS) at [john.agyaho@statsghana.gov.gh](mailto:john.agyaho@statsghana.gov.gh).